

AN ACT concerning currency exchanges.

Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:

Section 5. The Currency Exchange Act is amended by  
changing Section 5 as follows:

(205 ILCS 405/5) (from Ch. 17, par. 4812)

Sec. 5. Bond; condition; amount.

(a) Before any license shall be issued to a community  
currency exchange the applicant shall file annually with and  
have approved by the Director a surety bond, issued by a  
bonding company authorized to do business in this State in  
the principal sum of \$10,000. Such bond shall run to the  
Director and shall be for the benefit of any creditors of  
such currency exchange for any liability incurred by the  
currency exchange on any money orders issued or sold by the  
currency exchange and for any liability incurred by the  
currency exchange for any sum or sums due to any payee or  
endorsee of any check, draft or money order left with the  
currency exchange for collection, and for any liability  
incurred by the currency exchange in connection with the  
rendering of any of the services referred to in Section 3 of  
this Act.

From time to time the Director may determine the amount  
of liabilities as described herein and shall require the  
licensee to file a bond in an additional sum if the same is  
determined to be necessary in accordance with the  
requirements of this Section. In no case shall the bond be  
less than the initial \$10,000, nor more than the outstanding  
liabilities.

(b) In lieu of the surety bond requirements of  
subsection (a), a community currency exchange licensee may

submit evidence satisfactory to the Director that the community currency exchange licensee is covered by a blanket bond that covers multiple licensees who are members of a statewide association of community currency exchanges. Such a blanket bond must be issued by a bonding company authorized to do business in this State and in a principal aggregate sum of not less than \$2,000,000.

(c) An ambulatory currency exchange may sell or issue money orders at any location with regard to which it is issued a license pursuant to this Act, including existing licensed locations, without the necessity of a further application or hearing and without regard to any exceptions contained in existing licenses, upon the filing with the Director of a surety bond approved by the Director and issued by a bonding company or insurance company authorized to do business in Illinois, in the principal sum of \$100,000. Such bond may be a blanket bond covering all locations at which the ambulatory currency exchange may sell or issue money orders, and shall run to the Director for the use and benefit of any creditors of such ambulatory currency exchange for any liability incurred by the ambulatory currency exchange on any money orders issued or sold by it. Such bond shall be renewed annually. If after the expiration of one year from the date of approval of such bond by the Director, it shall appear that the average amount of such liability during the year has exceeded \$100,000, the Director shall require the licensee to furnish a bond for the ensuing year, to be approved by the Director, for an additional principal sum of \$1,000 for each \$1,000 of such liability or fraction thereof in excess of the original \$100,000, except that the maximum amount of such bond shall not be required to exceed \$250,000.

(Source: P.A. 86-432.)

Section 99. Effective date. This Act takes effect upon

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becoming law.